

**Business Entities
Law-206.2
6 credits
Spring 2018****Credits – 6****Schedule:** Mondays - 09.25
Wednesdays - 9.25 / 10.50**Instructors:** Natalia Pak & Dinara Asanbaeva**E-mail:** asanbaeva_d@auca.kg**I. General Description and Objectives of the Course**

This course is meant for sophomore students of the Law division who completed the Intro to Civil Law course; and, for students from other departments who completed the Intro to Law course. The course provides a comprehensive overview of the legal framework guiding the work of business entities in Kyrgyzstan. The course covers such issues as types of forms of business, creation and liquidation of entities, bankruptcy procedures, securities markets, and corporate governance.

II. LAW DIVISION AND COURSE LEARNING OUTCOMES**Law Division Learning Outcomes**

Graduates of the Law Program should have the following competencies:

1. carry out professional activities in good faith on the basis of developed legal consciousness, legal thinking, and legal culture and with observation of ethical principles of the legal profession;
2. apply professional judgment, perform quality legal analysis, conduct legal research, and solve legal problems;
3. be able to speak and write in an argumentative, logical, and clear way in the legal context, have skills necessary to draft legal documents, be fluent in the English language at the level of professional communication;
4. draft normative legal acts and carry out their legal expertise in the field of professional activity;
5. interpret and apply substantive and procedural norms, provide qualified legal opinions and consultations in concrete types of legal activity;
6. demonstrate leadership qualities, active citizenship, take and develop initiatives aimed at promotion of civil society and welfare state;
7. understand the essence and significance of information in the development of modern society and law, master the basic methods of working with information and information technologies in the professional sphere.

COURSE LEARNING OUTCOMES

	Law Division Learning Outcomes
Upon successful completion of the course students will be able to:	
To define the notion, types of business entities in KR, their differences and common features, organization, structure and operation of different types of business entities, securities markets and their regulation, meaning and significance of corporate governance;	1, 2
To identify how business entities are created/registered, reorganized, liquidated;	1, 2
To identify and classify main concepts of bankruptcy and its procedures;	1, 2
To apply learnt concepts and rules of corporate law to solve various legal situations/problems related to organization, structure and operation of different types of business entities;	1, 2
To analyze legal texts, statutes, cases and contrast them to other texts;	1, 2
To produce legal analysis in written form through drafting various legal documents (charters, founding and shareholder agreements, corporate governance codes)	3, 4

III. Course Readings

Students are required to regularly refer to the e-course page of the course: www.e-course.auca.kg as certain reading materials and all assignments will be uploaded there. Moreover, all course assignments should be uploaded by students only to the e-course. E-mail submissions are allowed ONLY if the e-course page does not work due to technical problems.

All students are expected to either borrow from the AUCA Library or purchase the Civil Code of the Kyrgyz Republic (part 1). It is highly recommended to bring the hard copy of the Civil Code to each class. An English version of the Civil Code will be available on the e-course, however, the Latest Russian edition of the Civil Code remains the main point of reference for this course.

The Code as well as other normative legal acts can be accessed by students via either Toktom or Paragraph databases, both are available on campus. If students face difficulties using these databases, they are recommended to turn to the instructor or to the Library staff.

In addition to the primary legal sources, students are expected to use textbooks and commentaries to the Civil Code. The following list provides a number of textbooks and commentaries that students can use for the course purposes.

Primary Sources

1. Civil Code of the Kyrgyz Republic Part 1 (8 May 1996);
2. Civil Code of the Kyrgyz Republic Part 2 (5 January 1998);
3. Law on State Registration of Legal Entities (20 February 2009).
4. Law on Partnerships and Companies of the KR (16 Nov 1996);
5. Law on Joint Stock Companies of the KR (27 March 2003);
6. Law on Bankruptcy of the KR (15 October 1997).
7. Law on Securities Market of the KR (24 July 2009).
8. Law on Cooperatives of the KR (11 June 2004)
9. Law on Peasant Farms of the KR (3 June 1999)
10. Rules on performance of contracts with securities in KR (17 October 2011);
11. Law on the KR Chamber of Commerce (13 April 1994).

Secondary Sources

1. The Commentary to certain articles of the Civil Code of KR, Bishkek, 2015.
2. The Commentary to the Civil Code of the Kyrgyz Republic, vol. 1,2 (Bishkek 2005).
3. Business in the Kyrgyz Republic: Legal Aspects, K & A, 2009.
4. E.A. Sukhanov, Comparative Corporate Law (2014).
5. I.S. Shitkina, Corporate Law in Tables and Schemes (2016).
6. Corporate Law, ed. I.S. Shitkina (2008).
7. A V. Dobrovinskaya, Corporate Law (2012).
8. Andreev V.K., Kirpichev A.E., Legal Entities. Introduction to Corporate Law (2014).
9. Gabov A.V. Liquidation of Legal Entities (2011).
Sukhanov E.A., Russian Civil Law in 2 volumes. Volume 1. General Part. Property Law. Succession Law. IP rights. Personal rights, (2011).
10. Civil Law. 2 volumes. B.M. Gongalo, ed. (2017).
11. Belov V.A., Civil Law, vol. 1, 2 (2017).
12. Commentary to the Civil Code of the Russian Federation (ed. Stepanov, 2009).

IV. Teaching Methods

The class will meet twice a week. This course does not use traditional method of lecture and seminar division. There is going to be hybrid of lecture/seminar every class or it can be called as interactive lecture method. This method implies students to read new materials beforehand and be ready to discuss the given materials in class. Such method helps and equips the student a self-learning skill, which he/she will need in their further studies.

The main teaching methods used include the Socratic Method, which is widely used in law schools and is a way of engaging large groups of students into discussion of course topics through asking them questions and guiding them right to the core issues. This method equip students with analytical and critical thinking since the student is not given the answer to question but the student should find an answer himself by answering instructor's question.

V. Grading Criteria

Component	%
Participation	20
Assignments (4)	15
Quizzes	30
Final Exam	35
Total	100

Attendance is required! Students are expected to BE ON TIME for classes. If the instructor marked the student absent in case that the student is late for the class, he is considered to be absent for the entire class.

If a student misses 4 class meetings he/she will automatically get 0 for class participation. Missing more than 8 classes can incur failure of the entire course upon discretion of the instructor.

Active Participation. Students are expected to take an active participation in class discussions. Points for the active participation are only given in case a student demonstrates readiness for the class (in terms of reading assignments) and contributes constructively to class discussions.

Assignments. Students are required to complete various kinds of assignments within the course. All assignments will be posted on the

www.e-course.auca.kg; completed assignments should be uploaded to the relevant folder on the e-course.

Exams. Midterm and final exams will be conducted in both closed book and open book formats. Further explanations will be provided closer to the exam date. **Exam retakes are allowed only in exceptional cases!**

Grading Scale

A 94-100%	B- 77-79%	D+ 60-63%
A- 90-93%	C+ 74-76%	D 54-59%
B+ 86-89%	C 68-73%	D- 50-53%
B 80-85%	C- 64-67%	F less than 50%

VI. Course Policies & Student Conduct

Student Conduct

All students are expected to follow the AUCA Code of Student Rights, Responsibilities and Conduct. Any kind of disruptive behavior of a student gives an instructor the right to expel him/her from the class and an entire course.

Originality, Academic Honesty & Plagiarism

Students are expected to get acquainted with the primary sources of International Law as well as with the secondary sources as textbooks and periodical articles, which facilitate deeper comprehension and assessment of the law. While essays and examination answers will draw on and be informed by this material, students are expected to **think for themselves** and to express themselves in their **own** words, providing a certain portion of originality.

All course assignments should be original and must not be plagiarized. Plagiarism is the appropriation of another person's thoughts or words without attribution. Plagiarism is an offence against the AUCA Code of Student Rights, Responsibilities and Conduct.¹ All types of cheating

¹ Part III, Section A.3 of the Code states that “[a] student must not adopt or reproduce ideas, words, or statements of another person without appropriate acknowledgment. A student must give credit to the originality of others and acknowledge indebtedness whenever he or she does any of the following: 3.1.Quotes another person's actual words, either oral or written; 3.2.Paraphrases another person's words, either oral or

(plagiarism etc.) are strictly prohibited. If student fails to observe this requirement, instructor may give from an “F” for the work up to an “F” for the whole course depending on the type of assignment and other circumstances.

Cell Phones and other Electronic Devices

- Should be off or on silent during classes;
- Can be used ONLY for the course purposes;
- Can be prohibited by the instructor for particular sessions.

Please, note that this syllabus is subject to change. Any changes to the syllabus will be announced in class, and the updated version of the syllabus will be available in the e-course. It is students’ duty to stay informed of any adjustments made.

VII. Course Content

Week 1 / 14.01 & 16.01 Succession Law
<p><u>Topics to be covered:</u> Inheritance: the grounds of occurrence, change and termination. Subjects of hereditary legal relations. Opening of the inheritance. Call to inheritance. Testamentary waiver and testament. Testament: the concept, form, types, rules of commission. Notarized testament. The will, equivalent to a notarized. Closed testament. The will made in extraordinary circumstances. Execution of wills/testament. Change and cancellation, invalidity of wills.</p> <p>Reading assignment:</p> <ol style="list-style-type: none"> 1. Civil Code arts. 2. Textbooks
Week 2 / 21.01 & 23.01 Succession Law
<p><u>Topics to be covered:</u> Inheritance by law. Queues of heirs by law and their composition. Inheritance of disabled dependents. Inheritance of adopted and adoptive parents. Terms of accepting inheritance. Procedure for accepting inheritance. Refusal of inheritance: concept, rules of commission and consequences. Taking measures to protect inherited property. Management of hereditary property. The division of inheritance between the heirs. Responsibility of heirs for the debts of the testator. The procedure for registration of rights to inheritance. The procedure, conditions, term for issuing a certificate of inheritance. Expenses of heirs for the acquisition of hereditary property.</p> <p>Reading assignment: see e-course</p>
Week 3 / 28.01 & 30.01

written; 3.3. Uses another person's idea, opinion, or theory; or 3.4. Borrows facts, statistics, or other illustrative material from work of the other student, unless the information is common knowledge.”

Succession Law
<p>Topics to be covered: Inheritance of rights associated with participation in economic partnerships and companies, production and consumer cooperatives. Inheritance of an enterprise and property of a member of a peasant (farm) economy. Inheritance of things with limited turnover. Inheritance of land. Inheritance of unpaid amounts provided to a citizen as livelihood and property provided to the testator by the state or the municipality on preferential terms. Inheritance of state awards, honorary and memorable signs. Judicial protection of the right of inheritance. Inheritance of intellectual property. Reading assignment: see e-course</p>
Week 4 / 4.02 & 6.02 Protection of non-property rights
<p>Topics to be covered: The concept and types of personal non-property relations regulated by Civil Law. The concept and value of personal non-property rights in Civil Law. The content of personal non-property rights. Types of personal non-property rights. Personal non-property rights of citizens aimed at individualization of persons, ensuring personal integrity, protecting the secrets of privacy. Specifics of the implementation and protection of personal non-property rights in Civil Law. Reading assignment: see e-course.</p>
Week 5 / 11.02 & 13.02 Legal Entities: creation, legal capacity
<p>Quiz 1 (Monday class) Topics to be covered (Wednesday): Role and place of legal entities in economic and legal relations. Legal capacity of entities. Types of Business Entities. Creation of legal entities. Reading assignment: see e-course.</p>
Week 6 / 18.02 & 20.02 Legal Entities: creation, reorganization and liquidation
<p>Monday class: Guest Lecture (Meder Akeneev, Grata) Practical Aspects of Registration of Legal Entities. Wednesday Class: Reorganization of legal entities: different kinds of reorganization and legal consequences. Reading assignment: see e-course.</p>
Week 7 / 25.02 & 27.02 Legal Entities: liquidation and bankruptcy
<p>Monday class: Liquidation of a legal entity. Grounds for liquidation. Liquidation of a legal entity on a voluntary basis. Forced liquidation of the organization. Exclusion of a legal entity from a single state registry. The procedure of liquidation. Satisfaction of creditors' claims upon liquidation of a legal entity. Wednesday Class: Liquidation of a legal entity declared insolvent (bankrupt). The concept and signs of bankruptcy. Subjects and legal relations in bankruptcy. Reading assignment: see e-course.</p>
Week 8 / 4.03 & 6.03 Bankruptcy of Legal Entities
<p>Monday class:</p>

<p>Overview of bankruptcy proceedings (Sanitation (financial recovery), rehabilitation and settlement agreement).</p> <p>Wednesday Class: Bankruptcy of certain types of legal entities. Review for the midterm.</p> <p>Reading assignment: see e-course.</p>
<p>Week 9 / 11.03 & 13.03 Partnerships</p>
<p>Monday class: Midterm Exam</p> <p>Wednesday Class: Partnerships.</p> <p>Reading assignment: see e-course.</p>
<p>Week 10 / 18.03 & 20.03 Cooperatives, Farming Organizations and Housing Partnerships</p>
<p>Monday class: Cooperatives</p> <p>Wednesday Class: Farming organizations and Housing partnerships (ТСЖ).</p> <p>Reading assignment: see e-course.</p>
<p>Week 11 / 25.03 & 27.03 LLCs</p>
<p>Monday class: Limited Liability Companies</p> <p>Wednesday Class: Limited Liability Companies</p> <p>Reading assignment: see e-course.</p>
<p>Week 12 / 1.04 & 3.04 JSCs</p>
<p>Joint Stock Companies</p> <p>Reading assignment: see e-course.</p>
<p>Week 13 / 8.04 & 10.04 JSCs</p>
<p>Joint Stock Companies</p> <p>Reading assignment: see e-course.</p>
<p>Week 14 / 15.04 & 17.04</p>
<p>Joint Stock Companies</p> <p>Reading assignment: see e-course.</p>
<p>Week 15 / 22.04 & 24.04 Securities Market Regulation</p>
<p>Securities Markets in KR</p> <p>Reading assignment: see e-course.</p>
<p>Week 16 / 29.04 & 01.05 Securities Market Regulation</p>
<p>Securities Markets in KR</p> <p>Reading assignment: see e-course. Review</p>
<p>Week 17</p>
<p>Final exam</p>